

Seniors can get lower prices right now through Internet pharmacies, drugstore.com and costco.com, without signing up for a card and without paying an annual membership fee. Seniors could save 74 to 75 percent more than they will with the drug discount card without Federal Government spending any money at all. We could have legalized the reimportation of drugs from Canada, as a clear majority in this House voted to do. We could have allowed Medicare to negotiate fair prices for its 43 million beneficiaries. But instead, the Republican negotiators specifically put language in the bill that prevented that from happening, making it illegal.

Instead of enacting these fiscally responsible proposals that would be far more effective at reducing seniors' health care costs, the Bush administration and the Republican leadership of this Congress chose instead to protect and grow even larger the already enormous profit margins of the pharmaceutical industry.

While drug companies are required to cover at least one drug to treat most health conditions, they may not cover the drug that a beneficiary's doctor prescribes. It may not be possible to sign up with one plan that offers a discount for all of your prescriptions, but you can only sign up for one Medicare drug card at a time, and that has to last for 12 months. You cannot change for a year. The drug card will only be usable at certain pharmacies so seniors must research whether the card they are considering is accepted at a pharmacy nearby.

Some seniors will not have coverage outside of their home towns. There are a few national drug card plans, but most are regional. For seniors who travel frequently or spend part of the year in a different part of the country, the card they pick may not cover their prescriptions at all. Different drug cards will offer different prices on the same drug. Even with the same drug card plan, prices can vary from one pharmacy to another, and the drug card plans can change the drugs they cover and their prices, and they can do so every 7 days without notifying participants. This makes it nearly impossible for seniors to compare which plan gives them the best deal.

This program is intentionally and unnecessarily complicated in order to confuse seniors and reduce the benefits, even the small benefits that might be entailed in it. So this plan is too complicated, too complex, and far too expensive. There is a much better way of doing it, and we should get at it immediately.

Republicans rigged the system against seniors. The drug card—which should never have been necessary in the first place—leaves seniors with more uncertainty about their ability to afford medications than they have today.

Seniors shouldn't have to suffer through two years of uncertainty and meager benefits, before the real—though still completely inadequate—Medicare benefit begins.

The only reason that seniors are waiting two years is money: the GOP loaded up the bill with so many hundreds of millions of dollars in subsidies to the pharmaceutical industry that they did not leave enough money to pay for seniors' benefits.

President Bush and Republican leaders said money was the reason that the drug benefit couldn't start sooner, offer more comprehensive benefits and lower out-of-pocket costs for seniors. They said that we simply couldn't afford a more generous prescription drug bill than the \$400 billion they had set aside—after the Bush tax cuts and huge increases in defense spending—to pay for Medicare reform.

The truth is that we're not spending \$400 billion for drugs for seniors. Republicans gave away 61 percent of that to private corporations.

\$339 billion of the Medicare reform bill goes to the Administration's friends in the pharmaceutical and insurance industries.

\$70 billion goes to private corporations for continuing to provide health care coverage to their retirees. These corporations were already providing retiree health coverage without any government subsidy. Now we'll be paying them to do what they were doing before without government support. And, because the subsidy comes with no strings attached, corporations can still drop retiree coverage entirely without warning.

\$139 billion in overpayments to the pharmaceutical industry. This legislation will increase the drug industry's sales volume and profits dramatically. Because the bill specifically prohibits Medicare from harnessing the buying power of its 43 million beneficiaries to secure lower prices, Medicare dollars—and seniors' own out-of-pocket expenses—are being used to purchase drugs at inflated prices. Seniors who sign up for the drug benefit will be forced to pay higher prices than the VA or HMOs pay for the same drugs. Drug company profits—already the highest of any segment of our economy—are expected to increase 37 percent as a result of this bill.

\$130 billion in overpayments to HMOs. Managed care options were added to Medicare because they were supposed to cost less per patient than traditional Medicare. Under the new law, we'll be paying HMOs as much as 25 percent more than health care costs under traditional Medicare. Even the GAO has confirmed that HMOs are overpaid, but that didn't stop the Republican leadership from increasing their payments again in the bill. Because HMOs tend to attract the healthiest seniors, they ought to be getting paid less, not more. Like the other corporate subsidies, HMO payments come with no strings attached—HMOs can pull in and out of communities, stranding seniors, whenever they please.

Seniors deserve better than this. They deserve a comprehensive and affordable drug benefit, one that they can count on for the length of their retirement. We could afford to give them one, but the Republican majority would rather subsidize private industry than needy seniors.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. BLUMENAUER) is recognized for 5 minutes.

(Mr. BLUMENAUER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. GEORGE MILLER) is recognized for 5 minutes.

(Mr. GEORGE MILLER of California addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

ORDER OF BUSINESS

Mr. BURGESS. Mr. Speaker, I ask unanimous consent to take my Special Order speech at this time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas (Mr. BURGESS)?

There was no objection.

MEDICARE PRESCRIPTION DRUG BENEFIT STARTS TODAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. BURGESS) is recognized for 5 minutes.

Mr. BURGESS. Mr. Speaker, here it is June 1, and the Medicare prescription drug benefit starts today. This drug benefit is a long time in coming. In fact, it is the missing link from when Medicare was passed back in 1965. The Medicare prescription drug benefit is going to occur in two phases, and the first phase starts today and that is the Medicare prescription drug discount card which is available to any senior calling 1-800-Medicare or logging on to the Internet, www.medicare.gov.

The formal program is choice based, consumer driven and affordable. In fact, low-income seniors will receive an extra \$600 subsidy this year and next year. When the full Medicare prescription drug benefit kicks in on January 1, 2006, seniors will have the choice whether or not to opt into the program. Taking the prescription drug benefit discount now in no way obligates a senior to a future Medicare prescription drug benefit in the year 2006.

The most important thing about this legislation is that for the first time it actually empowers seniors to make the best choices based on value. For the first time, a senior can call 1-800-Medicare or log onto the Web site medicare.gov, and if they know the name of their prescription drug, their dosage and their ZIP Code, they can find out which Medicare prescription drug card would be best for them, which would cover the medications they are taking, which would provide the best benefits. Whether it be a mail order pharmacy or a neighborhood pharmacy, seniors will have that information at their fingertips.

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Seniors are used to comparison shopping. They shop on line for cruises, they shop on line for clothes at various retail outlets. For the first time, they are going to have the ability to use that same consumer savvy with the purchase of their prescription drugs.

The site is far from perfect, and there will be additional improvements that